Import of cotton

65. SHRI MENTAY PADMANABHAM:
SHRI SYED SIBTEY RAZI:
SHRI V. NARAYANASAMY:
SHRIMATI SUSHMA SWARAJ:
DR. JINENDRA KUMAR JAIN:
DR. YELAMANCHILI SIVAJI:

Will the Minister of TEXTILE be pleased to state:

(a) whether Government have permitted duty free import of bales of cotton;

(b) if so, what are the details thereof with background for such move;

(c) whether this steps would help the people;

(d) if so, the details thereof with extent possible;

(e) whether some norms for duty free import of bales of cotton have also been laid down;

(f) if so what are the details thereof along with the landed price and its impact on cotton growers;

(g) what steps are being taken to ensure that benefit trickle down to the weavers of various states; and

(h) at what rate cotton yarn is likely to be supplied to the weavers?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) and (b) Keeping in view the difficulties being faced by the handloom sector due to rise in the prices of yarn, the Government has decided to allow import of upto 2 lakh bales of cotton free of import duty.

(c) to (h) Under this Scheme mills will be allowed to import cotton for conversion into hank yarn and this yarn will be made available through notified agencies at a price 12 per cent lower than the prevailing price on 10th March, 1992. This would mitigate to a large extent the difficulties being faced by the handloom sector.

For every 9 bales (each of 181.6 kgs.) of yarn, mill will be authorised to import 12 bales (each of 170 kgs.) of cotton.

This authorisation for import will be allowed to the mills only after depositing the specified quantity of yarn to the notified handloom agencies and after the satisfaction of the Government that the rates offered are as per the discounts specificd.

The entitlment will be issued on first-come first served basis, subject to fulfillment of above mentioned conditions. Issue of entitlements will also take into account the spinning and reeling capacity of spinning mills, equitability of distribution in the country and local demand from handloom weavers.

This supply of hank yarn will be in addition to the normal hank yarn obligation of the mills.

The notified agencies will be,

(i) The National Handloom Development Corporation;

(ii) State Handloom Development Corporations/Apex/Regional Handloom Weavers Cooperative Societies;

(iii) All India Handloom Fabrics Corporative society;

(iv) Handloom Agencies other than these, including primary handloom Societies can also qualify for this purpose subject to specific clearance by DC (Handlooms).

The Government will review the Scheme from time to time and make appropriate modifications as may become necessary.